

FRAMEWORK AGREEMENT

on Legal Services

between

RB Rail AS

("Company")

and

[•]

("Contractor")

Contract registration number [•]
CEF Contract No. [•]
Procurement procedure identification No. [•]

Riga

[date] 2022



TABLE OF CONTENTS

1.	DEFINITIONS, INTERPRETATION AND ORDER OF PRECEDENCE	3
2.	SERVICES	6
3.	TOTAL VALUE AND TERM	7
4.	AWARD OF ASSIGNMENTS.....	7
5.	FEE AND PAYMENTS	10
6.	CONTRACTOR'S OTHER OBLIGATIONS AND COVENANTS	11
7.	COMPANY'S OTHER OBLIGATIONS AND COVENANTS.....	14
8.	REPRESENTATIONS AND WARRANTIES.....	14
9.	VARIATIONS	15
10.	COMMUNICATION.....	16
11.	INTELLECTUAL PROPERTY RIGHTS.....	16
12.	TERMINATION	17
13.	LIABILITY	18
14.	FORCE MAJEURE	18
15.	CONFIDENTIALITY	19
16.	RIGHT TO AUDIT	20
17.	ON-THE-SPOT VISITS	20
18.	PERSONAL DATA.....	21
19.	GOVERNING LAW AND DISPUTE RESOLUTION	21
20.	MISCELLANEOUS PROVISIONS	21
	Annex A: Acceptance Deed Form	24
	Annex B: Approved Experts.....	25
	Annex C: Assignment Order Form	26
	Annex D: Contractor's Proposal.....	27
	Annex E: Technical Specification.....	28

FRAMEWORK AGREEMENT

on Legal Services

This Agreement is entered into in Riga, on [*date* OR the date indicated on the timestamp of the last signature of the Agreement], by and between:

- (1) **RB Rail AS**, a public limited liability company registered in the Latvian Commercial Register with registration No. 40103845025 and legal address at Satekles iela 2B, Riga, LV-1050, Latvia (the "Company"), represented by [●], and
- (2) [●], a company registered in [●] registration No. [●], legal address at [●] (the "Contractor"), represented by [●], on the other side,

(the Company and the Contractor referred to as the "Parties" and separately – as the "Party").

WHEREAS:

- (A) this Agreement is entered into under the Rail Baltica 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 with 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 (the "Global Project");
- (B) the Company has organised a procurement procedure "[●]" (identification No. [●]) (the "Procurement Procedure") where the tender proposal submitted by the Contractor (the "Contractor's Proposal") together with the tender proposals of the Other Contractors (as defined below) was selected for entering into a framework agreement to provide the Services (as defined below);
- (C) this Agreement is co-financed from the Connecting Europe Facility ("CEF"), [●], and other recently signed grant agreements or future grant agreements (the "Grant Agreements") to be signed;

THEREFORE, the Parties agree as follows:

1. DEFINITIONS, INTERPRETATION AND ORDER OF PRECEDENCE

1.1. Definitions. In this Agreement, unless the context requires otherwise, the following definitions shall have the following meaning:

- 1.1.1. "Acceptance Deed" means a deed of acceptance substantially in the form of **Annex A**.
- 1.1.2. "Agreement" means this Agreement together with all its Annexes; whenever in the Agreement there is a reference to the Agreement, it includes a reference to all its Annexes, and reference to specific Annex following the reference to the Agreement is without prejudice to it.
- 1.1.3. "Annex" means any of the annexes enclosed to this Agreement and listed in Clause 1.3.
- 1.1.4. "Applicable Laws" means any legislative act, regulation, decree, order, ordinance, statute, treaty, directive, judgment, or other legislative measure applicable to the Agreement, the Services, the Parties, etc. (including, but not limited to the Public Procurement Law of the Republic of Latvia).
- 1.1.5. "Approved Experts" means any person listed in **Annex B** which is in a contractual relationship with the Contractor to provide a part of the Services and on whose expertise the Contractor relied in the Contractor's Proposal.
- 1.1.6. "Assignment" means the specific instance of the Services that is procured by the Company in accordance with any of the Framework Agreements.
- 1.1.7. "Assignment Order" means an agreement between the Company and the Contractor for the implementation of an Assignment in accordance with the form (as may be adjusted from time to time by the Company) in **Annex C**.
- 1.1.8. "business day" means any day except Saturday, Sunday and any day which is a public holiday in Latvia, Lithuania or Estonia.
- 1.1.9. "CEF" as defined in the Preamble of the Agreement.

- 1.1.10. "Company" as defined in the above list of the parties to the Agreement.
- 1.1.11. "Confidential Information" as defined in Clause 15.1.
- 1.1.12. "Contractor" as defined in the above list of the parties to the Agreement.
- 1.1.13. "Contractor's Proposal" as defined in the Preamble of the Agreement and enclosed in **Annex D** to the Agreement.
- 1.1.14. "Defect" means any error, fault, omission, defect or other non-compliance of the Services with the requirements of the Agreement, the Technical Specification, the Request for Proposal, the Assignment Order, the Applicable Laws, or the Good Industry Practice.
- 1.1.15. "Deliverable" means any documentation or other information, draft, notes, opinion, memorandum, material, documents and/or other items which the Contractor is required to deliver to the Company as part of an Assignment.
- 1.1.16. "EUR" and "euro" means the official currency of the eurozone, officially known as the euro area.
- 1.1.17. "Fee" as defined in Clause 5.1 of the Agreement.
- 1.1.18. "Framework Agreements" means this Agreement as well as the other identical framework agreements concluded with the Other Contractors.
- 1.1.19. "Force Majeure Event" means any of the following:
- (a) an act of the public enemy or war (declared or undeclared), threat of war, revolution, riot, insurrection, civil commotion, demonstration or sabotage;
 - (b) an act of vandalism or accidental damage or destruction of machinery, equipment, track or other infrastructure;
 - (c) 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);
 - (d) nuclear, chemical or biological contamination, epidemic or pandemic (except for COVID-19 pandemic);
 - (e) strike, lockout or other industrial action other than involving the Contractor or the Company.
- 1.1.20. "Global Project" as defined in the Preamble of the Agreement.
- 1.1.21. "Good Industry Practice" means, 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 the Services or services of a similar size, nature, scope, type and complexity, complying with the Applicable Laws.
- 1.1.22. "Other Contractors" means the following other contractors that have been chosen by the Company to enter into a framework agreement with the same contents as this Agreement with respect to Lot [●]:
- (a) [●]
 - (b) [●]
- 1.1.23. "Party" or "Parties" as defined in the above list of the parties to the Agreement.
- 1.1.24. "Procurement Procedure" as defined in the Preamble of the Agreement.
- 1.1.25. "Ranking" means the following ranking of the Service Providers based on the results of the Procurement Procedure: [*to include ranking based on the results of the Procurement Procedure*].
- 1.1.26. "Representatives" as defined in Clause 10.4.
- 1.1.27. "Request for Assignment" as defined in Clause 4.2.1.
- 1.1.28. "Request for Proposal" as defined in Clause 4.3.1.
- 1.1.29. "Service Provider" means the Contractor and/or any of the Other Contractors.
- 1.1.30. "Services" as defined in Clause 2.1.

- 1.1.31. "Signing Date" means the date on which this Agreement is signed by the Parties as indicated above or, if signed with secure electronic signature, the date indicated on the timestamp of the last signature of the Agreement.
- 1.1.32. "Supplier's Declaration" means Appendix 6¹ to the Common Procurement Standards and Guidelines for the Rail Baltica Project.
- 1.1.33. "Technical Specification" means Annex 1 of the Procurement Regulations attached in **Annex E** to this Agreement.
- 1.1.34. "Total Value" as defined in Clause 3.1.
- 1.1.35. "Variations" as defined in Clause 9.1.
- 1.2. Interpretation. The following interpretation rules of the provisions of this Agreement shall apply:
- (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 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) 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.
 - (e) A reference to "writing" shall include an e-mail transmission and any means of reproducing words in a tangible and permanently visible form.
 - (f) The words "include" and "including" are to be construed without limitation.
 - (g) Unless indicated otherwise, all references to "days" shall mean calendar days.
 - (h) 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.
- 1.3. Annexes. The Agreement contains the following Annexes:
- 1.3.1. **Annex A**: Acceptance Deed Form;
 - 1.3.2. **Annex B**: Approved Experts;
 - 1.3.3. **Annex C**: Assignment Order Form;
 - 1.3.4. **Annex D**: Contractor's Proposal;
 - 1.3.5. **Annex E**: Technical Specification.
- 1.4. 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 (body text);
 - (b) explanations (clarifications) of the Procurement Procedure documentation;
 - (c) the Procurement Procedure documents with the annexes (including the Technical Specification);
 - (d) clarifications of the Contractor's Proposal;
 - (e) the Contractor's Proposal.

¹ https://www.railbaltica.org/wp-content/uploads/2021/06/APPENDIX-6_SUPPLIERS-DECLARATION_June_2021.pdf

2. SERVICES

- 2.1. Services. The subject matter of this Agreement are the legal services (the "Services") as further described in the Technical Specification and as further detailed and specified in each respective Request for Assignment or Request for Proposal and the respective Assignment Order.
- 2.2. On-Demand Basis. This Agreement as well as the other identical Framework Agreements concluded with the Other Contractors are on-demand based with no fixed (promised) workload and/or fixed (promised) overall value.
- 2.3. Framework. The purpose of the Agreement is to define the terms and conditions under which the Contractor may be engaged to provide the Services to the Company. The Agreement is a framework agreement and does not impose an obligation whatsoever on the Company to engage the Contractor to provide the Services, nor does it guarantee any exclusive right to the Contractor to provide the Services. This Agreement entitles the Contractor to participate in mini competitions for the Assignments and/or be awarded with the provision of the Assignment directly by the Company at the full discretion of the Company.
- 2.4. Scope of Services. The scope of the Services for each of the Assignments covers all measures, including those not explicitly listed in the Agreement required for due performance of the Services in accordance with the terms and conditions of the Agreement and achievement of the intended results. When the achievement of the aforementioned is not possible without performance of a measure not explicitly listed in the Agreement, then performance of such a measure is considered as contractual obligation of the Contractor according to the Agreement.
- 2.5. Assignment Orders. For every Assignment which is entrusted to the Contractor pursuant to the Agreement, a separate Assignment Order will be signed by the Parties. Each Assignment Order and this Agreement shall form a single agreement between the Parties. The provisions of this Agreement constitute an integral part of each Assignment Order. In the event of any inconsistency between the provisions of this Agreement and the Assignment Order, the Assignment Order shall prevail.
- 2.6. Completion of Assignments. Upon completing the Assignment (or, if so envisaged under the respective Assignment Order, the part of the Assignment), the Contractor shall issue to the Company a signed Acceptance Deed. The Acceptance Deed shall include information and, where applicable, supporting documentation with respect to the completed Assignment (or its part). Upon receipt of the Acceptance Deed, the Company shall review the submitted Acceptance Deed and, where relevant, the supporting documentation, and either (i) approve the Acceptance Deed by co-signing it or (ii) reject the Acceptance Deed and inform the Contractor on the reasons of such rejection. When the reasons for rejection are eliminated/rectified by the Contractor, the Contractor re-submits the Acceptance Deed for review and approval of the Company.
- 2.7. Cancellation of Assignment Order. The Company is entitled to cancel any Assignment Order or Assignment (entirely or partly) by notifying the Contractor's Representative. If such notice is issued before commencement of the respective Assignment, the Company shall have no liability towards the Contractor with respect to such cancellation. If such notice is issued after the commencement of the respective Assignment, the Parties shall in good faith agree on compensation to the Contractor of the already incurred direct costs and expenses of the Contractor in relation to such already commenced Assignment, and the Company shall pay such compensation when agreed. Such compensation shall not exceed the amount of the Fee with respect to such already commenced Assignment. This Clause is without prejudice to the rights to terminate and the consequences of termination pursuant to Section 12.
- 2.8. Co-operation. The Parties shall cooperate with one another to fulfil their respective obligations under this Agreement. The Parties shall endeavour to maintain good working relationships among all key personnel engaged toward provision of the Services.
- 2.9. Meetings. The Company shall have a right, at any time during the Services provision period, to convene in person or online meetings with the Contractor for the assessment of any of the Services and/or to discuss other matters relevant to any activities contemplated under this Agreement. The place and time of such meetings shall be within the sole discretion of the Company. The Contractor undertakes to act in good faith and reasonably cooperate with the Company with respect to the holding of and participating in any such meetings. If requested by the Company, the Contractor shall record meetings (also online meetings) between the Parties and prepare meeting reports within 5 (five) business days after each meeting. All meeting reports shall be confirmed by the Company.

- 2.10. Circumstances Affecting Performance. Each Party shall have an obligation to promptly notify the other Party in writing of any event or circumstances capable of impeding the proper or timely performance of its respective obligations under this Agreement.
- 2.11. Impediments and Delays. If timely performance of the Services is affected due to impediments or delays caused by the Company or any third parties engaged by the Company:
- (a) the Contractor shall promptly notify the Company of the circumstances and probable effects of such impediment or delay on the performance of the Services (if not notified in timely manner, the Contractor shall lose its right to make any claim in this respect); and
 - (b) the Parties shall in good faith discuss such allegation of the Contractor, and, if agreed, the duration of the Services (including the term for delivery of any pending Services) shall be extended by the number of days directly affected by such impediment or delay.
- 2.12. Language. The Services shall be provided and the Deliverables made in high quality English and, where relevant, local language(s).
- 2.13. Defects. The Contractor shall remain fully responsible for the results (including with respect to any damages incurred by the Company) of the Services also after the completion of the respective Assignment Order. During the provision of the Services or following completion of the respective Services, the Company is entitled to notify the Contractor of each Defect within reasonable period after the Defect is discovered by the Company. Upon discovering a Defect, or upon receipt by the Contractor of a notification of the Defect from the Company, the Contractor shall, at the Contractor's cost, rectify the Defect within 5 (five) business days, unless otherwise reasonably specified by the Company or agreed by the Parties. If not rectified by the Contractor, the Contractor shall fully compensate the Company the reasonable costs and expenses incurred in this respect.
- 2.14. No Waiver. The Company's acceptance of the Deliverables and/or the Services or any payments under this Agreement shall not be interpreted or construed to operate as a waiver of any right or cause for action under or in relation to this Agreement. Approval by the Company of the Deliverables of the corresponding Assignment Order shall not mean the approval of the outcome results (reports, agreements, procedural documents, summary, advice, decisions, etc.) delivered by the Contractor and the Contractor shall bear full responsibility of the Deliverables provided.
- 2.15. Reporting. If requested by the Company, the Contractor shall, in a format and at intervals to be agreed with the Company, provide the Company with regular reports and status updates on the progress of the Services, and use reasonable endeavours to provide any other information and status updates as may be reasonably requested by the Company at any time.

3. TOTAL VALUE AND TERM

- 3.1. Total Value. The total value of all Framework Agreements concluded as a result of the Procurement Procedure together is EUR [●] ([●] euro), excluding VAT (the "Total Value"). The Total Value does not in any way bind the Company to procure the Services through this Agreement or other Framework Agreements for the entirety of the Total Value or any other guaranteed amount.
- 3.2. Term. The term of the Agreement is 24 (twenty-four) months starting on the Signing Date or until the Total Value has been reached (the "Term"). The Term can be extended for a period of up to additional 12 (twelve) months if the Total Value has not been reached prior to the expiry of the initial Term and until the Total Value is reached.
- 3.3. Expiry. After the expiry of the Term or once the Total Value has been reached, no more new Assignment Orders can be concluded. The Agreement expires once all of the existing Assignment Orders are fully completed by the Contractor and approved by the Company and the Parties have fulfilled their contractual obligations arising out of this Agreement.

4. AWARD OF ASSIGNMENTS

- 4.1. Selection of Service Provider. To receive the Services, the Company will select the Service Provider and conclude an Assignment Order with the selected Service Provider. Each Assignment will be allocated either (i) through a direct award or (ii) by conducting a mini competition. The Company shall have full discretion in (i) selecting either the direct award or mini competition approach and (ii) deciding which of the Service Providers to approach with a direct award, taking into consideration the specifics, urgency or nature of the Assignment, prior and similar Assignments, complexity of the Assignment, the planned fees for the provision of the particular Assignment, or other interests of the Company, etc.

- 4.2. Procedure of Direct Awards. The following procedure with respect to direct awards shall apply:
- 4.2.1. The Company invites a Service Provider to implement an Assignment by sending a request for Assignment (the "Request for Assignment") describing the details of the planned Assignment.
 - 4.2.2. After receiving a Request for Assignment, the Contractor shall as soon as possible but not later than within 1 (one) business day, unless otherwise specified in the Request for Assignment, respond by stating availability of its respective Approved Expert(s) to implement the Assignment by sending to the Company (i) a proposal to implement the Assignment or (ii) its confirmation or rejection of its readiness to implement the Assignment based on the terms determined by the Company in the Request for Assignment.
 - 4.2.3. The proposal to implement the Assignment should not exceed the proposed price (hourly rate) under the Contractor's Proposal.
 - 4.2.4. The Company accepts the Contractor's proposal or confirmation on readiness to implement an Assignment by sending to the Contractor an e-mail with a request to draft the Assignment Order. The Contractor shall within 2 (two) business days after receiving the request to draft it (i) draft the specific Assignment Order based on the information laid down in the specific Request for Assignment and its own proposal to implement the Assignment and (ii) send the draft to the Company for its approval via e-mail. So approved Assignment Order should be signed and sent to the Company as soon as possible but not later than within 3 (three) business days after receiving the request to draft it. The Assignment Order is first signed by the Contractor and then by the Company.
 - 4.2.5. The Contractor shall not be entitled to introduce in the Assignment Order any terms, conditions or requirements contradictory to the Agreement or the Request for Assignment, or otherwise being not acceptable to the Company due to any reason.
 - 4.2.6. After the Assignment Order is signed by the Parties, the conditions set in the Assignment Order become binding upon the Parties and the Assignment shall be executed in accordance with its specific requirements as well as the general provisions set out in this Agreement.
 - 4.2.7. In case the Contractor rejects the Request for Assignment or fails to respond within the required time period, or the delivered proposal is not compliant with requirements defined by the Company or not in line with the Company's budget, the Company is entitled to:
 - (a) reject the proposal, and/or
 - (b) send a Request for Assignment to the Other Contractor, and/or
 - (c) invite the Service Providers to a mini-competition, and/or
 - (d) discontinue the direct award procedure.
 - 4.2.8. The Company is entitled to discontinue the direct award procedure at any moment also due to any other considerations of the Company.
 - 4.2.9. The Contractor bears all its costs and expenses incurred in relation to the above procedure with respect to the direct awards.
 - 4.2.10. The Company reserves the right not to invite the Contractor to participate in the direct award procedure according to Clauses 4.4 or 4.6.
- 4.3. Procedure of Mini Competitions. The mini competitions are carried out as follows:
- 4.3.1. The Company invites the Service Providers to implement an Assignment by sending a request for proposal (the "Request for Proposal") describing the details of the planned Assignment.
 - 4.3.2. After receiving the Request for Proposal, the Contractor shall, within 3 (three) business days, unless otherwise specified in the Request for Proposal, respond by sending its proposal to the specific requests under the Request for Proposal. Failing to respond to the Request for Proposal within the required time period will be considered as a rejection to participate in the respective mini competition.
 - 4.3.3. The proposal to implement the Assignment should not exceed the proposed price (hourly rate) under the Contractor's Proposal.
 - 4.3.4. Mini competition proposals received from the Service Providers will be evaluated and ranked by the Company. The most economically advantageous proposal will be awarded with the

implementation of the Assignment. If the received proposals exceed the planned budget or are otherwise not acceptable to the Company, the Company reserves the right to discontinue the mini competition. The Company is entitled to discontinue the mini competition procedure at any moment also due to any other considerations of the Company.

- 4.3.5. The Company will choose the winner(s) of the mini competition for the provision of the particular Assignment by comparing and evaluating the received proposals based on the criteria specified in the specific Request for Proposal that may follow any of these general criteria (listed in no particular order and containing no predefined value):
- (a) the amount of the fees and/or the time necessary for the provision of the particular Assignment;
 - (b) credibility and experience of the Service Provider and its staff for providing the particular assignment, including legal knowledge and know-how of the Approved Experts in specific fields of law applicable;
 - (c) experience and availability (considering workload or manpower invested by the respective experts in already committed and ongoing Assignments) of the respective Approved Experts designated for the provision of the particular Assignment;
 - (d) potential quality of providing the particular assignment by the Service Provider, taking into account among others the potential workload to be invested for the provision of the particular assignment;
 - (e) the cooperation experience with the respective Service Provider in previous Assignments based on the performance evaluation(s) pursuant to Clause 4.6 of this Agreement.
- 4.3.6. The Company will inform the Service Providers participating in the mini competition on the results of each mini competition.
- 4.3.7. The Service Provider with the most economically advantageous proposal shall be invited to sign the Assignment Order. If more than one proposal is determined to be equally advantageous, then the rights to sign the Assignment Order are provided to the Service Provider who:
- (a) is ranked higher in the Ranking; or, if such criterion does not help identifying the winner,
 - (b) who has proposed lower hourly rate within the Procurement Procedure; or, if such criterion does not help identifying the winner,
 - (c) who has no pending (not completed) Assignment Orders under the Framework Agreements; or, if such criterion does not help identifying the winner,
 - (d) who proposes to provide higher discount to the Fee under the respective Assignment Order.
- 4.3.8. The Contractor, if it is invited to sign the Assignment Order, shall within 2 (two) business days after receiving the results of the mini competition (i) draft the specific Assignment Order based on the information laid down in the specific Request for Proposal and its own proposal to implement the Assignment and (ii) send the draft to the Company for its approval via e-mail. So approved Assignment Order should be signed and sent to the Company as soon as possible but not later than within 5 (five) business days after receiving the results of the mini competition. The Assignment Order is first signed by the Contractor and then by the Company.
- 4.3.9. The Contractor shall not be entitled to introduce in the Assignment Order any terms, conditions or requirements contradictory to the Agreement or the Request for Proposal, or otherwise being not acceptable to the Company due to any reason.
- 4.3.10. After the Assignment Order is signed by the Parties, the conditions set in the Assignment Order become binding upon the Parties and the Assignment shall be executed in accordance with its specific requirements as well as the general provisions set out in this Agreement.
- 4.3.11. If the Assignment Order (as approved by the Company) is not signed by the Contractor as envisaged under Clause 4.3.8, the Company is entitled, at its sole discretion, to (i) award the Assignment Order to the Other Contractor who had the second most advantageous proposal within the respective mini competition (or who was not chosen due to criteria applied pursuant to Clause 4.3.7), or (ii) cancel the respective mini competition with or without issuing a new Request for Proposal for the same or similar Assignment.

- 4.3.12. The Contractor bears all its costs and expenses incurred in relation to the participation in such mini competitions.
- 4.3.13. The Company reserves the right not to invite the Contractor to participate in a mini competition according to Clauses 4.4 or 4.6.
- 4.4. General Duty to Participate. The Contractor has a right to reject the Request for Assignment or the Request for Proposal only in exceptional cases related to the current workload of the Contractor in relation to other Assignments in progress, or when the Contractor envisages that the implementation of a particular Assignment would result in a conflict with the requirements set in this Agreement. The decision of the Contractor to reject the Request for Assignment or the Request for Proposal shall be provided in writing by stating the reasons for such decision in sufficient detail. If the Contractor has not responded to or has rejected (other than as permitted under this Clause) the Request for Assignment or has sent a non-compliant proposal in any direct award procedure, the Company in addition to other measures available in this Agreement may, at its sole discretion, decide not to invite the Contractor to participate in any 2 (two) next direct award procedures and/or mini competitions. If the Contractor has not participated or has rejected (other than as permitted under this Clause) to participate in any mini competition, the Company in addition to other measures available in this Agreement may, at its sole discretion, decide not to invite the Contractor to participate in any 2 (two) next direct award procedures and/or mini competitions.
- 4.5. Additional Information. The Contractor has the right to request reasonable explanatory information from the Company regarding the specifics of provision of an Assignment. If the Company finds it necessary to respond, the Company has the obligation to disclose information provided to the Contractor also to the Other Contractors if such information may influence the contents of the Contractor's bid in the respective mini competition.
- 4.6. Evaluation of Performance. The Company will regularly review the quality of the completed Assignments and the overall cooperation with the Service Providers according to Section 9 of the Technical Specification. If the conditions stipulated in Section 9 of the Technical Specification occur, the Company shall be entitled not to invite the Service Provider in any 3 (three) next direct award procedures and/or mini competitions.
- 4.7. Public Procurement Service Line. For the avoidance of doubt, with respect to the service line "Public Procurement" it shall be at the sole discretion of the Company to determine and instruct which of the Approved Experts (i.e., a public procurement law expert or procurement specialist (expert)) shall be engaged in the fulfilment of the Services under this service line.

5. FEE AND PAYMENTS

- 5.1. Fee. In consideration of the provided Services and subject to signing of the Deed of Acceptance, the Company undertakes to pay the Contractor a fee in the amount set forth in the Assignment Order (the "Fee") which may not be higher than the fees proposed by the Contractor in the Contractor's Proposal. The Assignment Order may specify whether the Fee is paid upon full or partial completion of the Assignment Order, whether the Fee is split into separate instalments or is paid as a single lump sum payment, etc.
- 5.2. VAT. Unless otherwise stated in the Assignment Order, the Fee specified in the Assignment Order excludes value added tax ("VAT") that will be charged at the rate applicable in accordance with Applicable Laws at the time of invoicing.
- 5.3. 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 (other than 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 accordance with Applicable Laws. In addition, the Contractor shall assume all risks associated with the payment or obligation to pay such taxes and duties, if any.
- 5.4. All-inclusive. Unless otherwise agreed in the Assignment Order, the Fee is the all-inclusive consideration for the duly provided Services and includes reimbursement of all and any expenditure incurred by the Contractor toward performance of any steps, actions or measures contemplated in accordance with the respective Assignment Order and/or in relation to the respective Assignment. The Contractor agrees and acknowledges that it shall have no right to request reimbursement by the Company of any additional expenditure whatsoever as may have been incurred by the Contractor toward provision of the Services,

unless reimbursement of such additional expenditure has been explicitly agreed between the Parties in writing.

- 5.5. **Travel Expenses.** The Company shall reimburse the travel expenses incurred by the Contractor during the provision of the Services only if (i) the travel expenses are indicated and agreed in the corresponding Assignment Order, (ii) the travel expenses incurred for the implementation of the corresponding Assignment Order, and (iii) the travel expenses are justified by documents. In case the Company for the implementation of a particular Assignment Order requires the Approved Expert to travel from his/her place of residence or the Contractor's office (whatever is applicable) for more than 200 km one way, the Company shall reimburse incurred travel expenses for the Approved Expert included in a particular Assignment Order (always provided that the point of departure shall be limited to the location in Europe). For the implementation of a particular Assignment Order where traveling is included, the Approved Expert shall ensure average level economical travel and accommodation expenses. The Company reserves the right to choose the accommodation. The following travel expenses are subject to reimbursement:
- (a) bus travel and/or second-class rail travel – for a distance of less than 400 km one way;
 - (b) economy class air travel – for a distance of more than 400 km one way; provided that a travel expenses in total (including but not limited to a return ticket) shall not exceed EUR 500 (travel expense exceeding EUR 500 will be reimbursed at EUR 500 max).
- 5.6. **Invoicing.** The Contractor shall send the invoice to the Company electronically to the following e-mail address: invoices@railbaltica.org. The Contractor shall deliver to the Company an invoice specifying the amount of the Fee payable only after the Company has signed the Acceptance Deed with respect to the particular Deliverable and/or the Assignment (or its part) which the invoice is related to. In case payment for the Services (in whole or in part) will be made from more than one financing source, and upon the Company's request, the Contractor shall issue separate invoices corresponding to the amounts financed from the financing source as indicated by the Company.
- 5.7. **Invoice details.** The Contractor's invoices shall include the details (including number) of the Agreement, the Assignment Order, and the Company's Representative. The Parties agree that in accordance with the Accounting Law and Value Added Tax Law of the Republic of Latvia the invoices may be issued without the requisite "signature".
- 5.8. **Payments.** The payment of the Contractor's invoices will be made in euro by bank transfer within 20 (twenty) days after the compliant invoice is received. The Company may reject the invoice or at any point suspend the payment deadline if (i) the Deliverable and/or the Services are not accepted by the Company, (ii) invoice supporting documents are missing, (iii) the invoice is incorrect, or (iv) the Company has to make further checks to verify details of the invoice. In such case the Company must notify the Contractor of the suspension and the reasons for it. After the condition for suspending the payment deadline is rectified, the suspension will be lifted — and the remaining payment period will resume. 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.
- 5.9. **Set-offs.** The Company shall have the right 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. If the Company uses the right to make the payments to the Contractor with set-off, retention, counterclaim, abatement, or other deduction of any kind, then the Company notifies the Contractor no later than on the due date of the respective payment stating the amount, the grounds and the basis for the use of the right to set-off, retention, counterclaim, abatement or other deduction or other right.

6. CONTRACTOR'S OTHER OBLIGATIONS AND COVENANTS

- 6.1. **Standard of Performance.** Without prejudice to the requirements prescribed elsewhere under the Agreement, the Contractor shall:
- 6.1.1. perform the Services in accordance with the Agreement, the Technical Specification, the respective Request for Assignment or the Request for Proposal, the respective Assignment Order as well as reasonable requests, comments, requirements and instructions of the Company;
 - 6.1.2. perform the Services in accordance with the Applicable Laws and the Good Industry Practice;
 - 6.1.3. ensure availability of the Approved Experts;

- 6.1.4. perform the Services and each particular Assignment timely having due regard to any applicable Assignment milestones and any other key dates for performance of the particular Services;
 - 6.1.5. 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;
 - 6.1.6. ensure that the Contractor and the Approved Expert providing the Services comply with the relevant professional diligence and applicable legislation governing the activities of legal advisers (in case of attorneys, in addition to the respective bar association rules and related regulations) and the provision of the Services is of consistently high quality that is necessary to achieve the purpose of the particular Assignment Order;
 - 6.1.7. ensure that its personnel are properly qualified and competent;
 - 6.1.8. ensure that specific documents as per respective Services, if any, 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 specific documents as per respective Services, documents and information;
 - 6.1.9. endeavour to carry out all activities that would reasonably assist and aid the Company, always act in the best interests of the Company, and use its best endeavours to engage all legal means reasonably available in achieving the result of the particular assignment specified in the particular Assignment Order;
 - 6.1.10. provide the Company with all and any information and documentation in its possession or control relating to the Services and return original documents to the Company immediately at the Company's request;
 - 6.1.11. upon the Company's request, provide intermediate results, draft Deliverables, etc. of an Assignment Order in short notice in order to check the progress of the implementation of an Assignment Order (failing to do so within the short notice period or by providing information that shows that the Assignment will not be completed within specified time in the Assignment Order shall be considered a material breach of the Agreement and the Company's reserves the right to cancel the implementation of the Assignment Order and to proceed with the procedures for terminating the Agreement);
 - 6.1.12. as a part of the Deliverables, the Contractor shall prepare information material in a fully comprehensive and understandable way (i.e., the information provided in the Deliverables shall be understandable to the average-level lawyer or manager with no experience in a specific topic concerned), by providing explicit and full source details (initial information, evidence, etc.) used for the analysis and provision of the Deliverables.
- 6.2. Maintenance of Records. During the term of the Services and for a period of 10 (ten) 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 Company, that the Services have been carried out in accordance with the Agreement. 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.
- 6.3. Access to Documentation. At all times the Company shall have access to all documentation related to the Services. This access shall be continuing and survive the termination of this Agreement for either cause or convenience. The documentation shall be kept accessible in a generally recognized format for a period of 10 (ten) years from the date of expiration or termination of this Agreement. All records forming part of such documentation shall be available to the Company' auditor, or expert appointed by the Company during the abovementioned period of time.
- 6.4. Security Clearance Requirements. The Contractor shall not involve in the performance of the Agreement a person convicted of an intentional criminal offense (employees, sub-contractors and/or any other person and personnel), regardless of the criminal record having been set aside or extinguished, and/or a person of whom there are known facts that give grounds to doubt his or her ability to retain restricted access and/or classified information, as well as a person who has or may have a conflict of interest by involving him in the performance of the obligations under this Agreement. The Company has the rights to request, and, upon such request, the Contractor shall without a delay submit to the Company the name, surname, personal code of a natural person involved in implementation of any Assignment and

the Contractor should inform this person that his/her data will be provided to the Company for purpose of data processing by the Company for implementation of Assignment. The Company has a right to demand dismissal of such a natural person non-compliant with the security clearance requirements at the Company's sole discretion based on the Company's written request for dismissal.

- 6.5. Approved Experts. In carrying out the Services, the Contractor may rely only on the services of the Approved Experts. In this respect:
- 6.5.1. The list of the Approved Experts may, from time to time, be modified or supplemented always (i) subject to a prior written consent of the Company, (ii) compliance of new experts with the qualification criteria under the Procurement Procedure documents and (iii) otherwise in accordance with the terms and subject to the criteria contained in the Applicable Laws.
 - 6.5.2. The Contractor shall have an obligation to notify the Company in writing of any changes to the Approved Experts data occurring during the term of this Agreement and of the required information for any new Approved Experts who it may subsequently engage toward provision of the Services.
 - 6.5.3. The Contractor shall obtain prior written consent of the Company for the replacement of each Approved Expert or involvement of any additional persons. Review and evaluation of the replacement of Approved Experts shall be carried out, and the consent or refusal to give consent shall be rendered by the Company in accordance with Applicable Laws (in particular, Article 62 of the Public Procurement Law of the Republic of Latvia) and this Agreement.
 - 6.5.4. 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 Experts shall, for the purposes of this Agreement, be deemed to be the act, failure to act, breach or negligence of the Contractor itself.
 - 6.5.5. The Contractor shall be responsible for the work of the Approved Experts and ensure that the Company has free access to the Approved Experts during the Company's working hours, including but not limited to no later than until the end of business day answer to e-mail or recall to the Company.
 - 6.5.6. The Contractor shall ensure that all Approved Experts members are fully available with respect to the Services. The Contractor shall ensure that the Approved Experts participate in the meetings with the Company as requested by the Company from time to time.
 - 6.5.7. The Contractor must replace any Approved Expert involved in the performance of the Services if requested by the Company and supported by the reasons such as repeated careless performance of duties, incompetence or negligence, non-fulfilment of obligations or duties stipulated in the Agreement, as well as other reasons prescribed under the Agreement (including the Technical Specification).
- 6.6. Visibility Requirements. At all times during performance of the Services, the Contractor undertakes to comply with each of the following requirements:
- 6.6.1. any report, brochure, document, or information related to the Services carried out by the Contractor hereunder or any other person, or which the Contractor makes publicly available shall include each of the following:
 - (a) a funding statement which indicates that the Services are financed from CEF funds substantially in the following form: "Co-financed by the Connecting Europe Facility of the European Union";
 - (b) 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
 - (c) the flag of the Council of Europe and the European Union.
 - 6.6.2. the requirements set forth in Clauses 6.6.1(a) and 6.6.1(c) can be complied with by means of utilizing the following logo (if the Contractor uses this logo, the Contractor shall ensure that the

individual elements forming part of the logo are not separated (the logo shall be used as a single unit) and sufficient free space is ensured around the logo):



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

- 6.6.3. 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 at the Signing 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>.
- 6.7. **Insurance.** The Contractor must, at all times during the Term, be the holder of a current professional risk indemnity policy of insurance with limit of liability at least EUR 1,000,000 (one million euro) for any insurance claim and in the aggregate, covering all experts mentioned in **Annex B**: Approved Experts, and with extended reporting period 3 (three) years. The Contractor shall submit to the Company a copy of a renewed insurance agreement or a new insurance agreement including the above-mentioned provisions within 5 (five) business days before the date of expiry of the previous insurance agreement.
- 7. COMPANY'S OTHER OBLIGATIONS AND COVENANTS**
- 7.1. **Information.** The Company shall, in a timely manner, provide to the Contractor any information in the possession of the Company as may reasonably be requested by the Contractor for the purposes of the Services. The Contractor shall provide prompt written notice to the Company if the Contractor becomes aware of any errors, omissions, or inconsistencies in the information provided by the Company.
- 7.2. **Authorizations.** The Company shall provide the Contractor or the Approved Expert with a respective power of attorney at the request of the Contractor if necessary for implementation of the Assignment.
- 7.3. **Decisions.** On all matters properly referred to it in writing by the Contractor and reasonably necessary for provision of the Services, the Company shall give its decision in writing so as not to delay the provision of the Services and within a reasonable time. The Company shall have the final and exclusive right in the negotiations, terms, decisions, agreements, etc. and in any and all matters related to the Services, including but not limited to the final right to decide whether or not to conclude any agreement(s), litigate, submit documents, etc.
- 8. REPRESENTATIONS AND WARRANTIES**
- 8.1. **Certain representations and warranties of the Parties.** Each Party represents and warrants to the other Party, as of the Signing Date, as follows:
- (a) 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;
 - (b) it has read this Agreement, understands it and agrees to be bound by it;
 - (c) 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;
 - (d) it has entered into this Agreement without having any intention or goal whatsoever to violate the Applicable Laws, its own articles of association, other constitutional documents, laws or agreements of any kind to which it is a party to;
 - (e) 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
 - (f) it has entered into this Agreement of its own volition and in good faith.
- 8.2. **Certain representations and warranties of the Contractor.** The Contractor represents and warrants to the Company, as of the Signing 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 Company as part of the Procurement Procedure and on the terms of the Contractor's Proposal;
- (b) it holds and will hold for the entire term of the Agreement all requisite accreditations, recognitions, licenses, permits, approvals and consents necessary under the Applicable Laws to enable performance by the Contractor of the Services;
- (c) it has all requisite ability to ensure the highest quality of the Services;
- (d) it will assign competent and duly qualified personnel to carry out the Services according to the highest professional standards and the Good Industry Practices;
- (e) it is not deemed to be a person associated with the Company for the purposes of the Applicable Laws;
- (f) it is compliant with all of the requirements of the Supplier's Declaration and will continue to be compliant with all such requirements during the term of this Agreement;
- (g) it has been registered as a VAT payer in [●];
- (h) if the Contractor and the Company are residing in different jurisdictions, the Services under this Agreement will not be provided through a permanent establishment or fixed base maintained by the Contractor in the Republic of Latvia. The Contractor is aware that the applicable laws of Latvia prescribe certain instances when payments to non-residents are subject to a withholding tax (for instance, in case of management and consultancy services), and the Company will be obliged to make such withholdings with the following exception. No withholdings will be made if the Contractor (before the Company will be obliged to make any payment under the Agreement) will provide all necessary information and documents (including, where relevant, a residence certificate confirmed by the competent authority of the Contractor's country of residence and the Latvian State Revenue Service) allowing to make an exemption from such withholding pursuant to the terms of the applicable laws of Latvia and international conventions or agreements between Latvia and the Contractor's country of residence.

9. VARIATIONS

- 9.1. Variations. Notwithstanding any provisions in this Agreement to the contrary, whenever the Company or the Contractor reasonably consider that a variation to the Agreement (the "Variations") is necessary, the Company and the Contractor shall negotiate in good faith the terms of the proposed Variations. For the avoidance of doubt, no Variation shall be effective unless and until concluded in writing by the Parties.
- 9.2. Scope of Variations. For the purpose of the Agreement, and at any time prior to the completion of the Services under the Agreement, as the case may be, the Variations may be concluded in respect of:
 - 9.2.1. extension of the Term pursuant to Clause 3.2;
 - 9.2.2. amendments to the Agreement necessary to comply with the amendments or adjustments to the Applicable Laws from time to time, if any;
 - 9.2.3. supply of additional Services not previously foreseen under the Agreement;
 - 9.2.4. implementation of any amendments to the Agreement as initiated or approved by the Company during the provision of the Services which are necessary due to such reasons which the Company could not foresee in advance.
- 9.3. Limitations to Variations. In case of Variations due to supply of additional Services or due to reasons which the Company could not foresee in advance, the total value of the Agreement may not change by more than the maximum amount permitted under the Applicable Laws. Notwithstanding anything to the contrary contained in the Agreement, the Company and the Contractor may agree on the supply of additional Services not previously foreseen under the Agreement if they do not change the nature of the Agreement (type and purpose specified herein) and if the total value of such additional Services does not concurrently reach the thresholds specified under the Applicable Laws.
- 9.4. Variations' Fee. The fee for additional Services as a result of the Variations, if any, shall be determined taking into account the calculations and fees under the Technical Specification and the Contractor's Proposal. Furthermore, such fee shall be consistent with the market practice and proportionate to the fee for the Services with similar scope under the Agreement, if any. Variations not resulting in additional

services or works, including Variations related to the timeline of the provision of the Services, shall not result in additional fees or compensation of costs.

10. COMMUNICATION

- 10.1. Main Principles. Communication under the Agreement (e.g., information, requests, submissions, formal notifications, etc.) must:
- (a) be carried out in English;
 - (b) be made in writing (including electronic form);
 - (c) be primarily carried out between the Representatives as specified in Clause 10.4 or otherwise notified to each other;
 - (d) during the implementation of the Assignment Order, the communication via e-mail shall be executed between contact persons indicated in the respective Assignment Order. Additionally, all copies of those e-mail messages shall be sent to the Parties' Representatives.
- 10.2. Presumption of Receipt. Notices, declarations, invoices etc. shall be deemed received:
- (a) if delivered by hand, on the first (1) business day following the delivery day;
 - (b) if sent by post, on the fifth (5) business day after the date of posting;
 - (c) if sent by e-mail, the same business day if sent prior to 17:00 o'clock and the next business day if sent after 17:00 o'clock (Eastern European Time); communication by e-mail is deemed made when it is sent by the sending Party to the receiving Party, unless the sending Party receives a message of non-delivery;
- 10.3. Exchange of Information. The information may be exchanged electronically over the internet, always complying with the IT security requirements, if any, determined by or acceptable to the Company.
- 10.4. Representatives. The Company and the Contractor shall appoint an officer, employee or individual to serve as its representative toward the implementation of the Agreement and supply or receipt of the Services (including signing of the Assignment order or the Acceptance Deed), with full authority to act on its behalf in connection with this Agreement, without the right to conclude amendments to the Agreement (the "Representative"). Any restriction placed by either Party on its Representative's authority shall be notified to the other Party in writing to be effective. The Representatives may delegate their authority by notice in writing specifying the contact information of the delegate and specifying the scope of authority so delegated. Each Party may replace or remove any Representative by notifying in writing the other Party immediately, but not later than 1 (one) business day after the replacement or the removal of the respective Representative. The initial Representatives are:
- (a) the authorised representative of the Company for the Agreement fulfilment issues and procedures is [●], e-mail: [●], phone: [●];
 - (b) the authorised representative of the Contractor for the Agreement fulfilment issues and procedures is [●], e-mail: [●], phone: [●].

11. INTELLECTUAL PROPERTY RIGHTS

- 11.1. Proprietary Rights. The Company shall fully and irrevocably acquire the ownership of the results under this Agreement including any rights in any of the results under in this Agreement, including copyright and other intellectual or industrial property rights, and all technological solutions and information contained therein, produced in performance of the Agreement. The Company shall acquire all rights and obligations under this Agreement from the moment the Deliverables (results), including any part of them, are delivered by the Contractor and are not limited in time and will be valid after the expiry or termination of the Agreement and/or the individual Assignment Order. The Company has the right, without the Contractor's permission, to publish material submitted by the Contractor, change it, redo it, divide it into parts etc.
- 11.2. 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 Company to the Contractor or to any third party in consideration of the transfer of ownership in the results under in this Agreement.

11.3. Third Party Rights. The Contractor shall ensure that the Services, the execution of Services or the use of any of the Deliverables or results under this Agreement do not violate the rights, including copyright, of third persons. If the Services, the execution of the Services or the use of the Deliverables or the results under this Agreement violate the rights of third persons, the Contractor shall fully indemnify and keep the Company harmless in this respect.

12. TERMINATION

12.1. Force and Expiry. The Agreement enters into force when signed by the Parties and expires once the Parties have fulfilled their contractual obligations arising out of this Agreement, unless terminated earlier pursuant to the provisions of the Agreement.

12.2. Termination by Company. The Company shall be entitled to unilaterally terminate the Agreement with a 30 (thirty) days prior written notice to the Contractor without specifying the cause for termination. The Company shall be entitled to unilaterally terminate the Agreement and/or the Assignment Order with a 30 (thirty) days prior written notice to the Contractor if:

- (a) the Contractor has committed substantial errors, irregularities or fraud, or is in material breach of its obligations under the Procurement Procedure or under the Agreement, including if there have been false declarations made, etc.;
- (b) the Contractor is in breach of the Agreement (other than breaches referred to in the paragraph (a) above) and does not cure the breach within 20 (twenty) following the Company's notice;
- (c) the Contractor and/or its Approved Expert performs his/her tasks defined in the corresponding Assignment Order below the standard of performance specified in Clause 6.1.

12.3. Termination by Contractor. The Contractor shall be entitled to unilaterally terminate the Agreement with a 30 (thirty) days prior written notice to the Company if the Company fails to make a payment where such failure has not been eliminated within thirty (30) calendar days after receipt of a written notice of failure to pay from the Contractor.

12.4. Termination by Parties. Notwithstanding anything to the contrary contained in this Agreement and/or the Assignment Order, the Company or the Contractor may terminate this Agreement and/or the Assignment Order 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: if the other Party is dissolved, declares bankruptcy, becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due.

12.5. Company's Right to Terminate Immediately. The Company may terminate this Agreement and/or the Assignment Order immediately upon giving the Contractor a written notice of termination explaining, in reasonable detail, the reason for termination, if:

- (a) the respective Services are no longer required;
- (b) CEF co-financing for further financing of the Services is not available to the Company fully or partly;
- (c) the Contractor has breached Clause 6.4, Clause 6.5, Clause 15, Clause 20.1 or Clause 20.2;
- (d) it is not reasonably possible to or it is prohibited to continue implementation of the Agreement under the Applicable Law, including but not limited due to the application of international (including OFAC) or national sanctions, or a Member State's of the European Union or North Atlantic Treaty Organization applied sanctions significantly affecting interests of financial or capital market of Estonia, Latvia or Lithuania;
- (e) the Contractor has not responded to or has rejected (other than as permitted under Clause 4.4) the Request for Assignment or has sent a non-compliant proposal in any 3 (three) consecutive direct award procedures;
- (f) the Contractor has not participated or has rejected (other than as permitted under Clause 4.4) to participate in any 3 (three) consecutive mini competitions.

12.6. Termination According to Public Procurement Law. The Agreement and/or the Assignment Order can be immediately terminated by the Company upon giving the Contractor a written notice of termination explaining, in reasonable detail, the reason for termination upon occurrence of any of the provisions mentioned in the Article 64 of the Public Procurement Law of the Republic of Latvia.

12.7. 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 6.2, 6.3, Section 11, Section 13, Section 15, Section 16, Section 17 and Section 19 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 Clause 12.7(b);
- (c) if the Company has unilaterally terminated the Agreement due to non-fulfilment or breach of the obligations undertaken in the Agreement by the Contractor, the Company has the right to disqualify the Service Provider from participation in any tenders organized by the Company during 12 (twelve) months from the date of the termination of the Agreement;
- (d) if the Assignment Order is terminated pursuant to paragraph (a) or (b) of Clause 12.5, the costs incurred by the Contractor with respect to the already commenced Services under the Assignment Order up to the notification of the termination of the Assignment Order are subject to compensation by the Company, the Parties shall in good faith agree on the respective amount and, when agreed, the Company shall pay such compensation.

13. LIABILITY

13.1. Liability for Damages. The Contractor is liable with respect to any breach of its respective obligations under this Agreement and/or the Assignment Order and shall compensate the Company for any damages (exceeding the amount of the applied contractual penalty, if any) incurred as a result of such breach. The Company cannot be held liable for any damages caused or sustained by the Contractor or a third party during or as a consequence of performing the Agreement, except in the event of the Company's wilful misconduct or gross negligence. Notwithstanding anything to the contrary set forth in this Agreement, in no circumstances shall any Party be liable to the other Party for any loss of profit.

13.2. Contractual Penalty.

13.2.1. If the Contractor refuses or fails to duly complete the Assignment after the Assignment Order has been awarded to the Contractor and signed in accordance with this Agreement, the Company is entitled to request the Contractor to pay a contractual penalty in the double amount of the Fee for the respective Assignment.

13.2.2. Should the Contractor fail to meet any of the milestones or delivery dates under any of the Assignment Orders and provided that the cause of such delay is attributable to the action or inaction of the Contractor, the Company is entitled to request the Contractor to pay to the Company a contractual penalty of 0.1% (zero point one percent) of the amount of the Fee payable for the respective Assignment to for each day of delay, provided that each such contractual penalty shall not exceed 10% (ten percent) of the Fee payable for the respective Assignment.

13.2.3. If the Contractor breaches Clause 20.2, it shall be liable to pay to the Company a contractual penalty in the amount corresponding to thrice (3x) the total sum of the Fee under the Assignment Order if the breach took place in relation with the performance of the Assignment, but not less than EUR 10,000 (ten thousand *euros*) for each breach of such obligation.

13.2.4. Should the Company delay any payment in accordance with Clause 5.8, the Contractor is entitled to request the Company to pay a contractual penalty in the amount of 0.1% (zero point one percent) from the delayed amount for each day of delay, provided that the total amount of such contractual penalty payable by the Company under this Clause 13.2 shall not exceed 10% (ten percent) of the delayed amount.

13.2.5. The contractual penalties shall be applied upon the sole discretion of the entitled Party under the Agreement considering the material consequences of the breach.

13.2.6. Payment of the contractual penalty shall not release the Party from performance of any of its obligations under the Agreement.

14. FORCE MAJEURE

14.1. Effects of Force Majeure Event. Subject to the requirements set forth in accordance with Clauses 14.2 and 14.3, each Party shall be relieved from liability for non-performance of its obligations under this Agreement to the extent that the Party is not able to perform such obligations due to a Force Majeure Event (i) which has occurred after the Signing Date or the date of the respective Assignment Order, (ii)

which the affected Party could not foresee or prevent, (iii) which was not caused by the affected Party, and (iv) which makes it impossible to fulfil the respective obligations under the Agreement.

- 14.2. Action Upon Occurrence of Force Majeure Event. 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 14.2(a).
- 14.3. 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 10 (ten) business 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 14.2(a) 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.
- 14.4. 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).
- 14.5. Mitigation of Effects of Force Majeure Event. As soon as practicable after the notification specified pursuant to Clause 14.3, 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.

15. CONFIDENTIALITY

- 15.1. Confidential Information. "Confidential Information" means, in relation to the Company, the Deliverables and all information of a confidential nature relating to the Company and its affiliates which is supplied by the respective Company (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, notes, studies, memoranda and other documents and information which contain or otherwise reflect or are derived from such information, but excludes information which:
- (a) the Company confirms in writing is not required to be treated as confidential;
 - (b) the Contractor (except in relation to the Deliverables) 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 Company and was not previously acquired by the Contractor from the Company under an obligation of confidence; or
 - (c) was developed by or for the Contractor at any time independently of this Agreement.
- 15.2. Undertakings. The Contractor shall (i) at all times keep confidential all Confidential Information received by it and shall not disclose such Confidential Information to any other person, and (ii) 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 Company.
- 15.3. Permitted Disclosure. Notwithstanding anything to the contrary set forth in accordance with this Section 15, the Contractor shall, without the prior written consent of the Company, 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, or adviser to the extent necessary to enable the Contractor to perform its obligations under this Agreement (subject to the same confidentiality undertakings by the recipients);

- (b) to enable a determination to be made pursuant to Section 17;
- (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 (subject to the same confidentiality undertakings by the recipients);
- (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.

15.4. Return of Confidential Information. Upon request of the Company, the Contractor shall:

- (a) return to the Company 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.

15.5. No Press Release. Save as required by the Applicable Laws, the Contractor shall not issue any press release in relation to the matters contemplated under this Agreement without the prior written consent of the Company (such consent not to be unreasonably withheld or delayed) as to both the content and the timing of the issue of the press release.

15.6. Remedies. The Parties acknowledge and agree that a breach of the provisions of this Section 15 may cause the Company irreparable Damages that could not be adequately remedied by an action at law. Accordingly, the Contractor agrees that the Company is 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.

16. RIGHT TO AUDIT

16.1. Right to audit. Notwithstanding anything to the contrary set forth in this Agreement, the Company itself, a reputable outside independent body or expert engaged and authorized by the Company is 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.

16.2. Obligation to Assist. The Contractor shall provide all reasonable assistance to the Company or the independent body authorized by the Company in carrying out any inspection or audit pursuant to this Section 16. The Company shall be responsible for its own costs, or the costs incurred by the outside independent body designated by the Company, 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 Company for all of its additional reasonable costs incurred, provided such non-compliance is material.

16.3. Survival of Termination. The rights and obligations of the Company set forth in accordance with this Section 16 shall survive expiration or termination of this Agreement for any reason and shall continue to apply during the period of 10 (ten) years following expiration or termination of this Agreement for any reason whatsoever.

17. ON-THE-SPOT VISITS

17.1. Right to Perform On-the-spot Visits. By submitting a written notice 5 (five) business days in advance, but at the same time reserving the right of an unannounced on-the-spot visits without any advance notice, the Company may carry out on-the-spot visits to the sites and premises where the activities implemented within the Agreement are or were carried out.

17.2. Personnel Involved. On-the-spot visits may be carried out either directly by authorised staff or representatives of the Company or by any other outside body or third party authorised to do so on behalf of the Company. Information provided and collected in the framework of on-the-spot visits shall be treated on confidential basis. The Company shall ensure that any authorised outside body or third party shall be bound by the same confidentiality obligations.

- 17.3. Access to the Information. The 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.
- 17.4. 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 883/20132 of the European Parliament and the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF), OLAF may also carry out on-the-spot checks and inspections in accordance with the procedures laid down by 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.

18. PERSONAL DATA

- 18.1. General. For the purpose of execution of this Agreement, the Parties might transfer to each other certain personal data, such as data on employees of the Parties, data on suppliers, the Global Project stakeholders and their employees etc. The Party transferring to the other Party certain personal data shall be responsible for informing and, if necessary, obtaining the consent of the data subject for the processing of the personal data. The Parties acknowledge that for the purpose of the Agreement each of the Parties shall act as a controller. The Party shall transfer the personal data to the other Party and such other Party shall process the personal data only for the purposes of execution of the Agreement and other such purposes as required by Applicable laws. The Parties agree that except where the Party has a separate legal basis for processing the personal data referred to in the Applicable Laws governing the protection of personal data, the Party shall not process the personal data for any other purpose.
- 18.2. Specific Obligations. Besides other obligations provided for in the Agreement, each of the Parties undertakes:
- (a) to process the personal data to the minimum extent necessary;
 - (b) not to infringe any rights of the data subjects;
 - (c) to implement and apply proper organizational and technical measures ensuring the compliance with the requirements of the law;
 - (d) to ensure the compliance with other requirements of the law governing the protection of personal data.

19. GOVERNING LAW AND DISPUTE RESOLUTION

- 19.1. Governing Law. This Agreement shall be governed by and construed in accordance with law of the Republic of Latvia.
- 19.2. 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.
- 19.3. Venue for Resolution of Disputes. Should the Parties fail to settle such disputes, controversies or claims within 2 (two) months by amicable negotiations, 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.
- 19.4. Language. The Parties hereby represent and warrant that the English language is understandable for both 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.

20. MISCELLANEOUS PROVISIONS

- 20.1. Corruption and Fraud. Notwithstanding any penalties that may be enforced against the Contractor under the Applicable Laws, or the laws of other jurisdiction(s), the Contractor shall be deemed to have

committed a breach under this Agreement and the Company is entitled to terminate this Agreement immediately, 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 Company, including the use of collusive practices intended to stifle or reduce the benefits of free and open competition.

- 20.2. Conflict of Interests. If the Contractor provides or will provide legal services to any person whose interests are or probably will be in conflict with the interests of the Company in relation with providing the assignment (in the past, in the present and in the foreseeable future) to the Company, or in case of any circumstances, which harm or may harm the possibility of the Contractor to act solely in the interests of the Company (the "Conflict of Interests"), the Contractor has the obligation to refrain from providing the Assignment to the Company. As part of the obligation of the Contractor to avoid Conflict of Interest, the Contractor must also refrain from providing legal services to any person whose interests are or probably will be in conflict with the interests of the Company in relation with providing the Assignment (in the past, in the present and in the foreseeable future) to the Company. The Contractor shall immediately notify the Company if there are any doubts with respect to compliance with this Clause, and in such case the Company has the right to decide whether a Conflict of Interests situation exists or not.
- 20.3. Relationship of Parties. The relationship between the Contractor and the Company under this Agreement is that of independent contractor. The Contractor (and/or the Approved Experts) is not an employee of the Company, is not carrying out the regular business of the Company and is not subject to the same employment regulations as are applicable to employees of the Company. 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 Company to the Contractor, its employees, its consultants, or the employees of such consultants.
- 20.4. Severability. If any provision of this Agreement shall be held to be illegal, invalid, void or unenforceable under the 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.
- 20.5. Successors and Assigns. The Parties 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, if not directly provided otherwise under the Agreement.
- 20.6. Amendments and Variations. No amendment to or Variation of this Agreement shall be effective unless made in writing and signed (with original (wet ink) signature or a qualified electronic signature) by duly authorized representatives of both Parties, if not provided otherwise herein. The Agreement can be amended in compliance with the provisions of Article 61 of the Public Procurement Law of the Republic of Latvia.
- 20.7. 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.
- 20.8. Execution. [*This Agreement is executed in 2 (two) copies, one for each Party, both having the same legal effect OR This Agreement is executed as an electronic document*].

For and on behalf of the Company:

For and on behalf of the Contractor:

[●]

[●]

[THIS DOCUMENT IS SIGNED ELECTRONICALLY WITH A QUALIFIED ELECTRONIC SIGNATURE]

AND CONTAINS TIME SEAL]

Annex A: Acceptance Deed Form

No.: [number]

Date: [date]

Place: [place]

From: [●], a company registered in [●] registration No. [●], legal address at [●] (the "Contractor")

To: **RB Rail AS**, registration No. 40103845025, legal address at Satekles iela 2B, Riga, LV-1050, Latvia (the "Company").

This Acceptance Deed is issued to the Company by the Contractor with respect to the Assignment Order No [●]. All defined terms used in this deed shall bear the same meaning as in the Assignment Order.

The following Services have been provided by the Contractor in good quality and are accepted by the Company:

Description of the Services		Amount in Euro
[●]		[●]
VAT	21%	[●]
Total:		[●]

For and on behalf of the Company:

For and on behalf of the Contractor:

[●]

[●]

Annex B: Approved Experts

Annex C: Assignment Order Form

ASSIGNMENT ORDER (CONTRACT) NO. [●]

Date [●]

FOR THE PROVISION OF LEGAL SERVICES

This Assignment Order has been entered into pursuant to the Framework Agreement No [●] for the provision of legal services between:

RB Rail AS, a company organized and existing under the laws of Republic of Latvia, registry code 40103845025, registered address Satekles iela 2B, Riga, LV-1050, Latvia (the "Company"), represented by [position] [name], and

[●], a company organized and existing under the laws of [country], registry code [●], registered address [●] (the "Contractor"), represented by [position] [name],

for providing of the Assignment Order by the Contractor to the Company on the following conditions:

1. Name of the Approved Expert to implement Assignment Order: [.]
2. Assignment Order is covered in the following Service line: [.]
3. Description of the Assignment Order and the desired result: [.]
4. Form/output of the deliverables: [.]
5. Timeline/deadline for implementing the Assignment Order: [.]
6. Contact person(s) for the Company: [.]
7. Contact person(s) for the Contractor: [.]
8. Workload (in hours) and sum of fee in total (exclusive of VAT) for implementing legal services of Assignment Order: [.]
9. Out-of-pocket costs: [.]
10. Reimbursement of additional expenses: [.]
11. Payment: According to the Framework Agreement for Legal services.
12. No Conflict of Interest: the Contractor and the Approved Expert appointed to implement Assignment Order confirms having no Conflict of Interests in the meaning of the requirements specified in Clause 20.2 of the Agreement for the provision of legal services regarding the above described Assignment Order.
13. Governance: This Assignment Order supplements, forms part of and is subject to the Agreement for the provision of legal services. All provisions contained in the Agreement thereof govern this Assignment Order. In the event of any inconsistency between the provisions of the Agreement for the provision of legal services and this Assignment Order, this Assignment Order shall prevail.
14. Other terms: [.]

RB Rail AS

[Contractor]

[Approved Expert]

Annex D: Contractor's Proposal

Annex E: Technical Specification