

PROCUREMENT CONTRACT

RB Rail AS, registration number 14168654, address Veskiposti 2/1, 10138, Tallinn (hereinafter referred to as the Client), represented by Head of Branch [REDACTED] on the basis of Regulations on Representation Rights, dated 17 October 2022,
and

Kohvisemu OÜ, registration number 12391448, address Hallivanamehe tn 4, Tallinn, Harjumaa, 11317, (hereinafter referred to as „the Contractor“), represented by a member of the Management Board/[REDACTED]
hereinafter collectively the parties or separately the party, have entered into this Coffee Machine Rental Contract and Raw Material Sales Contract (hereinafter the Contract) as follows:

1. General provisions

- 1.1. The Contract has been awarded as a result of the public procurement procedure „Rental of coffee machines and purchase of raw materials for the Estonian branch of RB Rail AS“ (reference number RBR 2022/19) (hereinafter the public procurement).
- 1.2. The integral parts of the Contract are the basic procurement documents (hereinafter referred to as „the basic procurement documents“), the executing agency’s tender, the written notices between the parties, the amendments and annexes to the contract.
- 1.3. At the time of conclusion of the Contract, the Contract has the following annexes:
 - 1.3.1. Annex 1 – price list included in the tender;
 - 1.3.2. Annex2 – additional assortment list and price list.

2. Purpose and subject matter of the Contract

- 2.1. The Contract covers the rental of fully automatic coffee machines, the purchase of raw materials and daily cleaning equipment, user training and equipment maintenance.
- 2.2. The purpose of the Contract is to set out the rights and obligations of the parties:
 - 2.2.1. the supply of full automatic coffee machines (hereinafter referred to as „the equipment“) which are the subject of the Contract, to the Contracting Entity for a period of 24 (twenty-four) months;
 - 2.2.2. the purchase and supply of raw materials (coffee) and daily cleaning products during the contract period;
 - 2.2.3. the maintenance of equipment during the contract period.
- 2.3. A more detailed description of the subject matter of the Contract and the requirements to be met by it are set out in the basic procurement documents, the technical specifications and the Contractor’s offer. A list of offered raw materials together with the price list, is given in the executing agency’s tender.

3. The Contract price and payment terms

- 3.1. The Client shall pay the Contractor according to the prices fixed in the tender:
 - 3.1.1. the total amount of the monthly rental fee for the use of the equipment [REDACTED] euros (rental fee for machine 1 – [REDACTED] euros, rental fee for machine 2 – [REDACTED] euros, rental fee for machine 3 – [REDACTED] euros). The rental fee includes charges for the maintenance of the equipment and for the supply, installation, configuration and training of users (hereinafter referred to as „the rental fee“). The rental fee payments shall be invoiced from the date of acceptance of the equipment by the Client. There is no separate deposit or contract fee at the time of conclusion of the contract.
 - 3.1.2. Once a month, according to the quantities ordered by the Client, for raw materials and daily cleaning products. The prices for raw materials and daily cleaning products also include delivery to the Client’s premises.

- 3.2. VAT will be added to the price.
- 3.3. Changes to the unit price are allowed for each 12-month period from the conclusion of the contract, provided that the unit price offered does not increase more than consumer price index change compared to the month of the start of the previous 12-month period. The price increase shall be agreed between the Client and the Contractor 4 (four) weeks before the change comes into effect. Price reductions shall be permitted and need not be subject to a period of notice.
- 3.4. The Client shall pay for the rental of the coffee machines and the raw materials on the basis of the Invoices submitted by the Contractor in accordance with clause 3.1. The invoice shall be present in the form of a summary invoice, with separate lines for the rental payment and the raw materials.
- 3.5. The Contractor shall submit an invoice to the Client, which shall be deemed to have been submitted if sent to the e-mail address (invoices@railbaltica.org).
- 3.6. The invoice must be payable within at least 14 calendar days from the date of the invoice.

4. Terms and conditions for delivery and receipt of equipment

- 4.1. The Contractor undertakes to deliver, install and configure the Equipment at the Client's premises in accordance with the Technical Specifications and to hand over the documents necessary for the acceptance, possession and use of the Equipment (including the Estonian and English language user manuals, maintenance manuals, etc.) no later than 31.10.2022.
 - 4.1.1. The Client shall provide, prior to the time of delivery of the equipment referred to in clause 4.1. of the contract, a connection for central water and drainage in the vicinity of the equipment.
 - 4.1.2. The Client shall be entitled to increase (up to 4 machines) or decrease (up to 2 machines), as appropriate, the amount of equipment to be rented. The equipment shall be returned or the additional equipment ordered shall be delivered within a time period agreed by the parties. The monthly rental charge for the additional equipment ordered shall be the rental charge specified in the tender and the maintenance of the additional equipment ordered shall subject to the terms of the contract.
- 4.2. The Contractor shall deliver to the Client equipment of the quality, quantity and characteristics specified in the tender documents and the tender.
- 4.3. Within 5 (five) working days of delivery, the Client shall verify the compliance of the equipment with the terms of the Contract. In the event of non-conformity, the Client shall submit a written complaint to the contractor and shall refuse to accept the equipment. The Client shall notify defects which cannot be detected by inspection of the equipment (latent defects) within 5 (five) working days of the time when it became aware or should have become aware of the non-conformity with the terms of the contract.
- 4.4. The Client may require the defective equipment to be returned to the Contractor for compliance or require its replacement. The Client shall set a time limit within which the deficiencies must be remedied.
- 4.5. The final time of delivery of the equipment shall be deemed to be the time of acceptance of the equipment by the Client in accordance with the terms of the contract.
- 4.6. The right of use of the equipment and the risk of accidental destruction of the equipment shall pass from the contractor to the Client after signature of the acceptance certificate by the Client.
- 4.7. The Contractor undertakes to instruct the Client's staff (hereinafter referred to as the users) in the correct use of the equipment after delivery, by carrying out a one-off training course for up to 40 users.
- 4.8. At the end of the period of use, the Client undertakes to return the equipment to the Contractor. The equipment to be returned must not be substantially damaged.

The equipment must be returned in a condition corresponding to its natural wear and tear.

5. Placing orders for raw materials and daily cleaning supplies

- 5.1. The Contractor undertakes to supply the Client with raw materials and cleaning materials for the duration of the contract.
- 5.2. For the purchase of raw materials (coffee) and daily cleaning products, the Client shall submit an order to the contractor by an authorised representative of the contractor at the following e-mail address / electronic ordering environment / on working days from 08:00-17:00 by phone to +372 [REDACTED] or by e-mail to [REDACTED]@kohvisemu.ee.
 - 5.2.1. The order for coffee beans and cleaning products will be fulfilled within 1 (one) working day of the order being placed.
- 5.3. The order shall indicate the name of the products, the quantity, the units and the preferred delivery date, if this is different from the normal delivery date.
- 5.4. In addition to the products requested in the tender, the Client is entitled to purchase different coffee beans from the assortment of coffee beans offered by the contractor, by requesting a tender on the basis of the assortment of the tenderer, up to a total of 20% of the estimated value of the contract.
- 5.5. The quality and characteristics of the raw materials and daily cleaning products to be supplied must comply with the specifications set out in the tender documents and the tender. As regards the characteristics not specified in the basic procurement documents, they must be at least average quality and meet the requirements normally applicable to similar products.
- 5.6. The Client undertakes to purchase and use the raw materials and cleaning agents supplied by the Contractor.

6. Equipment maintenance and servicing

- 6.1. The equipment maintenance service includes routine and emergency maintenance of equipment throughout the lifetime of the contract.
- 6.2. For the purposes of this contract, routine maintenance equipment shall be the performance of maintenance in accordance with all the requirements of the equipment manufacturers and the actual needs arising from the use of the equipment and as set out in the basic procurement documents.
- 6.3. Routine maintenance includes regular maintenance, descaling and replacement of spare parts (such as water filters) as specified by the manufacturer at the required intervals. In addition, the maintenance service includes the repair of systemic faults, software faults and non-user-induced machine malfunctions, as well as the cleaning agents required for maintenance. The cost of the maintenance service must be included in the rental price.
- 6.4. For the purposes of this Contract, emergency maintenance of equipment is the repair of equipment failures not covered by routine maintenance. The Client shall notify the need for emergency maintenance at the earliest opportunity to the e-mail address of the contact person of the Contractor.
- 6.5. The Contractor is obliged to ensure that notifications of breaches are received on working days between 08:00-17:00 by phone +372 [REDACTED] or by e-mail [REDACTED]@kohvisemu.ee.
- 6.6. The Contractor undertakes to eliminate the equipment failure, as a general rule, within 24 (twenty-four) hours at the latest from the date of the relevant failure report. In the event that it takes more than 48 (forty-eight) hours from the date of the notification of the failure to eliminate the failure, the Contractor shall inform the Client (Tellija) thereof and undertake to provide the Client with an equivalent replacement machine at its own expense while the equipment is being repaired. If the substitute machine is not equivalent the Client shall not be liable for the raw materials consumed during this period.

- 6.7. The Client undertakes to ensure the daily maintenance of the equipment, including the nightly maintenance of the milk system in accordance with the machine maintenance manual.
- 6.8. The Contractor shall ensure that the maintenance of the Equipment is Carried out only by the appropriately trained maintenance technicians.
- 6.9. If it has taken more than 24 hours to restore one piece of equipment (including a milk fridge) to working order on three occasions in the last 12 months, the Contractor is obliged to replace it with a new piece of equipment at their own expense.

7. Other obligations of the parties

- 7.1. The Client undertakes to grant the Contractor access to the premises where the said equipment is located and also access to the equipment at the agreed time.
- 7.2. Equipment may not be removed or relocated from the installation site specified in the contract without the prior consent of the Contractor. The Client shall not be permitted to rebuild or otherwise adapt the equipment.
- 7.3. The Client undertakes to use the equipment in a prudent, careful and proper manner, avoiding any possible damage or injury to the equipment.
- 7.4. The Client shall have the right not to return and to reuse any packaging materials, etc., used for the packaging of equipment, including raw materials and daily cleaning products. The Client shall not be obliged to compensate the Contractor for them.
- 7.5. Communication between the contractor and the client is in Estonian. If the representative of the executing agency (including technicians providing the maintenance service) does not speak Estonian at a sufficient level, the Contractor shall ensure at its own expense the provision of an interpreter for oral and written communication between the contractor and the client.
- 7.6. Background checks may be carried out on persons providing maintenance services on the basis of § 759 (1) p 1) of the Police and Border Guard Act and in accordance with the conditions and procedure laid down in § 759 and § 760. The Contractor must send a list of company's employees (name, surname, personal codes), who will arrive in the Client's premises.

8. Liability of the parties and force majeure

- 8.1. The parties shall be fully liable for any direct pecuniary damage caused to the other party by the non-performance or improper performance of their obligations under the Contract to the extent of such damage.
- 8.2. The Contractor shall be liable for any breach of contract, in particular if the equipment, raw materials or cleaning materials supplied or the maintenance service provided do not comply with the requirements laid down in the basic procurement documents or in the contract, have not been delivered or carried out within the time limit, the Contractor fails to provide proper documentation when the equipment is delivered, etc. The Contractor shall not be liable for defects in the machinery if they are due to incorrect use or maintenance of the machinery by users.
- 8.3. Where contractual penalties can be claimed for the same infringement under several provisions or where different remedies are available for the same infringement, the Client chooses the remedy. The application of a contractual penalty shall not affect the right to seek, in addition, performance of the obligations and compensation for damages.
- 8.4. In applying the remedies, the parties will take into account the nature, extent, materiality and other factors affecting the contractual relationship. When applying remedies and/or claiming liquidated damages, the Client shall comply with the principles and rules laid down in the Law of Obligations Act.

- 8.5. If the Contractor fails to deliver the machinery to the Client within the time limit laid down in the contract or delays in remedying the defects or in delivering new machinery, the Client shall be entitled to a contractual penalty of up to 120 euros for each calendar day of delay in delivery or in remedying the defects.
- 8.6. If the Contractor fails to deliver the ordered raw materials and cleaning supplies within the time limit set in the contract, the Client is entitled to claim a contractual penalty of up to 50 euros for each calendar day of delay in delivery.
- 8.7. If the Contractor fails to carry out routine maintenance of the equipment in accordance with the contract and the basic procurement documents, the Client is entitled to claim a contractual penalty of up to 500 euros.
- 8.8. If the Contractor fails to remedy the defects within the time limit laid down in the Contract or delays the delivery of the replacement machine, the Client shall be entitled to claim a contractual penalty of 10 euros for each hour of delay.
- 8.9. If the Contractor fails to fulfil their obligations under the contract, or fails to repair or replace the defective goods, and the seller's delay can be considered a fundamental breach of contract, the buyer is entitled to purchase the non-performed or improperly performed quantity of goods from third parties and to claim, in addition to the contractual penalty, compensation from the seller for the amount spent on the goods purchased from the third parties and for the difference between the contract price and/or terminate the contract unilaterally by way of extraordinary termination.
- 8.10. If the Client is in default of the financial obligations stipulated in the contract, the Contractor is entitled to charge the Client a penalty of 0,05% of the amount overdue per day, but not more than 5% of the contract price.
- 8.11. The Contracting Entity shall reimburse to the Contractor the costs of remedying the failure, including the fee for the special field service specified in the tender, if the failure was caused by the user, including if the user used the equipment in a manner not in accordance with the instructions for use.
- 8.12. Penalties and interest on late payments must be paid within 14 days of receipt of the claim. The Client shall be entitled to settle the amount of the contractual penalty against the amount due under the contract when paying for the service.
- 8.13. Non-performance or improper performance of the obligations arising from the contract shall not be considered a breach of the contract if it is due to force majeure. Force majeure shall be deemed to be unforeseeable circumstances and events described in § 103 lg 2 of the Law of Obligations Act which are beyond parties' control or other events which are recognised as force majeure in Estonian law and case-law.
- 8.14. If the performance of the contract is prevented by force majeure, the deadlines laid down in the contract are postponed by the duration of the force majeure.
- 8.15. Restrictions imposed by legislation to prevent the spread of the Covid-19 virus on the closing date for the submission of tenders shall not be considered as force majeure as referred to in point 8.13. One of the conditions for the application of force majeure is unforeseeability. The restrictions in force at the time of the deadline for the submission of tenders were known to the contracting parties and all activities are planned in the light of the situation prevailing at the time of the deadline for the submission of tenders. If additional restrictions are imposed to prevent the spread of the Covid-19 virus, which prevents the performance of the contract, a party is entitled to invoke force majeure.

9. Notifications and authorised representatives

- 9.1. Unless otherwise provided in the contract, notices are normally given in a form which can be reproduced in writing. In cases where the transmission of a communication has important legal consequences, the communications to the other party must be in writing, including, for example, the parties' statements of termination of the contract, as well as the party's claim against other party for

breach of contract, etc. Communication to the other party must be in writing. A digitally signed form is equivalent to a written form.

- 9.2. Notices relating to the contract shall be given to the other party using the contact details specified in the contract. The party is obliged to inform the other party immediately of any change of contact details. Pending notifications of a change of contact details, a communication shall be deemed to have been duly transmitted if it has been sent to the party using the contact details indicated in the contract.
- 9.3. Written notice shall be deemed to have been received by a party if it has been delivered against signature or if it has been sent by the postal authority by registered letter to the address notified by the party and 5 (five) calendar days have elapsed from the date of posting. In the case of transmission by e-mail, including digitally signed documents, the notice shall be deemed to have been received at the time of transmission indicated in the e-mail.
- 9.4. The authorised representatives of the parties are:
 - 9.4.1. The Client's authorised representative Office Administrator, name: [REDACTED], phone: +372 [REDACTED], e-mail: [REDACTED]@railbaltica.org.
 - 9.4.2. The Contractor's authorised representative name: [REDACTED], phone: +372 [REDACTED], e-mail: [REDACTED]@kohvisemu.ee.
- 9.5. The parties may, where reasonably necessary, change the details of the authorised representatives during the performance of the contract by informing the other party by e-mail. Pending notification of the change of contact details, the notification shall be deemed to have been duly transmitted if it has been sent to the party using the contact details indicated in the contract.

10. Validity, amendment and termination of the contract

- 10.1. The Contract shall enter into force upon signature by the parties and shall remain in force for 24 months from the date of delivery of the equipment or until the obligations under the contract have been fulfilled. Termination of the contract shall not affect the performance of obligations which, by their nature, continue to have effect after termination of the contract.
- 10.2. Neither party may transfer or otherwise assign its rights or obligations under the contract to a third party without the prior written consent of the other party.
- 10.3. The parties may amend the contract under the conditions set out in RHS § 123 lg 1.
- 10.4. The Client may terminate the Contract by way of extraordinary termination, inter alia, if:
 - 10.4.1. the Contractor delays the delivery of the equipment, including the replacement machine, to the Client for more than 20 (twenty) calendar days from the date of delivery;
 - 10.4.2. there are significant shortcomings in the quality of the equipment supplied by the Contractor, including more than 3 failures per calendar month out of every 3 units supplied.
- 10.5. The Client has the right to terminate the contract prematurely for good cause it does not have the financial means to perform the contract or if it no longer needs to do so. The Client shall give the Contractor at least 30 calendar days' notice in writing.

11. Final provisions

- 11.1. In the performance of the contract, the parties shall be guided by the legislation in force in the Republic of Estonia, in particular, the provisions of the Law of Obligations Act on the respective type of contract shall apply to matters not regulated in the contract.
- 11.2. If any provision of the Contract is found to be in conflict with Estonian law, the validity of the remaining provisions shall not be affected.
- 11.3. The Contractor is aware that the contract is public to the extent provided for in the Public Information Act.

- 11.4. Disputes relating to the contract that the parties have not been able to resolve through negotiations are referred to the Harju County Court.
- 11.5. The contract is signed digitally.

Client

Contractor